

STATE OF VERMONT
PUBLIC SERVICE BOARD

Petition of Adelphia Business Solutions)
of Vermont, Inc., d/b/a TelCove, under 30 V.S.A.)
§ 232, for Consent to Mortgage or Pledge Its)
Property and Provide Guaranties or Other)
Security and, under 30 V.S.A. § 107, for)
Approval of the Acquisition of Indirect)
Control by Bay Harbour Management, LC,)
in Connection With the Recapitalization of)
TelCove's Parent as Part of Both Companies')
Reorganization Under Chapter 11 of the)
Bankruptcy Act)

Docket No. 6929

PROTECTIVE AGREEMENT

THIS AGREEMENT is dated as of February 9, 2004 and is by and among Adelphia Business Solutions of Vermont, Inc., d/b/a TelCove ("TelCove" or the "Company") and the State of Vermont Department of Public Service (the "Department" or "DPS") (the Company and the DPS will be sometimes referenced herein, where the context requires, as a "Party" and collectively as the "Parties");

WHEREAS, the Parties desire to cooperate in the provision of information relevant to the issues to be litigated in the above-captioned docket before the Vermont Public Service Board ("Board") regarding consent to mortgage and pledge certain Company property and provide certain security in connection with the recapitalization of the Company and its parent company, Adelphia Business Solutions, Inc. ("ABS"), to complete their reorganization under Chapter 11 of the Bankruptcy Act;

WHEREAS, the Company has information pertinent to the above-captioned docket that it has been, or may be, asked to provide to the Department, which the Company believes could result in financial and/or competitive harm to the Company if it is required to disclose such

information to the public, and which information the Company believes to be proprietary, privileged, confidential or in the nature of a trade secret (which information is referenced herein as "Allegedly Confidential Information" and is specifically described on Schedule I hereto, which Schedule may be amended only in accordance with the terms of this Agreement);

WHEREAS, the Company desires to disclose Allegedly Confidential Information only to Parties that have executed Schedule IIa or Schedule IIb, as appropriate, to this Agreement or, in certain situations, only to the Board or to the Department for review in accordance with this Agreement; and

WHEREAS, the Parties have agreed to the procedures established in this Agreement for the disclosure of Allegedly Confidential Information to the Parties, the Department, and/or the Board and to provisions for holding such Allegedly Confidential Information in confidence;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. If the Company seeks to place information under this protective agreement, it shall file an averment, as described in paragraph 2 of the protective order, which is attached as Schedule IV to this agreement, with the Department. If the Department agrees to treat specific information to be provided by the Company in the above-captioned docket as Allegedly Confidential Information, the Company will submit to the Board and all Parties a copy of Schedule I, as from time to time revised in accordance with the terms of this Agreement,

identifying each such item of Allegedly Confidential Information and signed or initialed by the Department to evidence its agreement to treat such item as Allegedly Confidential Information. This Agreement applies only to that information that the Company and the Department agree will be treated as Allegedly Confidential information listed on Schedule I. Schedule I may be amended only by agreement of the Company and the Department. Upon agreement of the Department to Schedule I or an amendment thereto, the Company seeking to place information under this protective agreement shall file the same averment, previously filed with the Department, with the Board as required by the protective order which is attached as Schedule IV to this agreement. If the Department does not agree to treat specific information to be provided by the Company as Allegedly Confidential Information, the Company may request a hearing before the Board by seeking a protective order as provided under V.R.C.P. 26(c). The Company shall file its request in writing with the Board and Parties within seven (7) business days of its receipt of a denial by the Department that such information can be treated as Allegedly Confidential Information under this Agreement. During the seven-day period, the information shall be treated as Allegedly Confidential Information under this Agreement. If the Company files a timely request with the Board and the Parties, the information shall be treated in accord with paragraph 14 of this Agreement.

2. The Department may obtain Allegedly Confidential Information by submitting to the Company's counsel Schedule IIa attached hereto, which incorporates by reference this Protective Agreement. If such a request is made for Allegedly Confidential Information, the

Company, through its counsel, will provide one copy of the Allegedly Confidential Information sought to the Department or otherwise make such Allegedly Confidential Information available. The Department will afford access to the Allegedly Confidential Information only to its employees and consultants who have executed Schedule IIa and returned the executed Schedule IIa to the Company's counsel. The Department shall make only one copy of any Allegedly Confidential Information for each individual who has executed Schedule IIa, except as otherwise provided in Paragraph 4 hereof.

3. A Party other than the Department may obtain Allegedly Confidential Information by submitting to the Company's counsel the Protective Agreement attached hereto as Schedule IIb and its request by Schedule III hereto. If such a request is made for Allegedly Confidential Information, the Company, through its counsel, will provide one copy of the Allegedly Confidential Information sought to such Party, or otherwise will make such Allegedly Confidential Information available to such Party, except those documents or portions thereof excised based on legal objection and duly noted by counsel for the Company, including, but not limited to, objections based on relevance, privilege, or discovery that is burdensome, cumulative or requires disclosure of confidential commercial information or trade secrets. Each such Party will afford access to the Allegedly Confidential Information only to such employees, consultants and other representatives who have executed Schedule IIb and are named in Schedule III to this Agreement and returned the executed Schedule IIb to the Company's counsel. A Party shall make only one copy of any Allegedly Confidential Information for each individual who has

executed Schedule IIb, except as otherwise provided in Paragraph 4 hereof.

4. Documents containing or incorporating Allegedly Confidential Information to be offered in evidence under seal may be copied as necessary for that purpose. The Parties' counsel, personnel and consultants, who have agreed in writing to be bound by this Agreement, may take notes regarding such Allegedly Confidential Information, but only as necessary for preparation for proceedings in the above-captioned docket. Such notes shall be treated the same as the Allegedly Confidential Information from which the notes were taken and shall not be used for any purpose other than as specified herein.

5. No Party that has executed this Agreement, and no person representing such Party, that is afforded access to the Allegedly Confidential Information shall use the Allegedly Confidential Information for any purpose other than the purpose of preparation for and conduct of this Docket, including appeals of any order or ruling therein, and then solely as contemplated herein. Each such Party, and each such representative person, shall keep the Allegedly Confidential Information secure and shall not disclose it or afford access to it to any person not authorized by this Agreement to receive same. Nothing in this Agreement precludes the Department from using Allegedly Confidential Information obtained hereunder either to seek a Board investigation (provided that the Department continues to treat such Allegedly Confidential Information pursuant to the protective terms of this Agreement) or request that the Allegedly Confidential Information or similar information be provided by the Company in any other context.

6. Should the Department or any other Party receive any subpoena, or any request pursuant to any Vermont law regarding access to public records, for any document or information received from the Company pursuant to this Agreement, the Department or such other Party promptly shall notify the counsel or other representative of the Company of the pendency of such subpoena or other request, and shall abide by the terms and conditions of this Agreement unless and until ordered otherwise by a court or administrative body of competent jurisdiction. Nothing in this Agreement shall limit or waive in any manner any rights that the Company may have under applicable law to seek protection against disclosure pursuant to a subpoena, a request for access to public records, or any other request for information.

7. If a Party wishes to prefile any testimony or exhibits that include or otherwise disclose Allegedly Confidential Information, that Party must give five-business days' advance notice to counsel for the Party that designated the information as allegedly confidential. Any Party may move the Board for an order that the testimony or exhibits be filed under seal or under other conditions to prevent unnecessary disclosure.

- a. If such motion is filed within the five-business day advance notice period, the proponent of the testimony and exhibits shall place them in a sealed record by filing such documents in sealed envelopes or other appropriate sealed containers on which shall be endorsed the caption and docket number of the proceeding, the nature of the contents (exhibit, report, etc.) and a statement that it shall not be opened or released from custody of the

Clerk of the Board, except by Order of the Board or Hearing Officer.

Notwithstanding such a statement, the members of the Board, and any employee or consultant specifically authorized by the Board to assist the Board in this proceeding and any Hearing Officer appointed to this Docket, may have access to such sealed Allegedly Confidential Information, but shall not disclose the contents of any such sealed information to any person who has not agreed to be bound by the Protective Agreement. The Board or Hearing Officer will then determine whether the proffered evidence should continue to be treated as confidential information and, if so, what protection, if any, may be afforded to such information.

- b. If no such motion is filed by the end of the five-business day advance notice period, the testimony and exhibits may be filed as a document available for public access.

8. At any hearing or conference in this proceeding, no witness may be questioned with respect to any Allegedly Confidential Information, unless examining counsel has provided advance notice to counsel for any party or other person that designated the information as allegedly confidential. To the extent possible, such notice shall be given prior to the commencement of the hearing or conference. Any party may move the Board for an order that the testimony be received *in camera* or under other conditions to prevent unnecessary disclosure.

If such motion is made, the Board or Hearing Officer will then determine whether the testimony should be received *in camera* or subject to other protection.

9. Upon completion of the above-captioned docket, including administrative or judicial review thereof, each Party that has received a copy of the Allegedly Confidential Information, and each person representing such Party, shall upon the written request of the Company return the Allegedly Confidential Information to the Company's counsel, except for those portions of the Allegedly Confidential Information that have been made part of the public record. Any notes taken regarding, and documents or information in any form incorporating, Allegedly Confidential Information shall be destroyed. On or before sixty (60) days after final decision, order and/or judgment in this docket (or appeal from any ruling or order therein) is rendered, each person, other than an employee or consultant of the DPS, who has executed this Agreement or Schedule IIb hereto shall advise the Company in writing that the requirements of this Paragraph 9 have been met; employees or consultants of the DPS shall do so at the request of the Company in writing.

10. No signatory hereto shall assign to any other person its rights or obligations hereunder, and any such assignment by any signatory of the rights and obligations hereunder shall be null and void.

11. An individual's access to Allegedly Confidential Information ceases upon termination of employment with a Party, and any individual who terminates employment with a Party who has executed this Agreement or Schedule IIa or Schedule IIb shall continue to be

bound by its terms.

12. This Agreement is made under and shall be governed by the laws of the State of Vermont.

13. This Agreement shall in no way be deemed to constitute any waiver of the rights of any Party to the above-captioned docket to at any time contest any assertion or to appeal any finding that specific information is or should be Allegedly Confidential Information or that it should or should not be subject to the protective requirements of this Agreement. The Parties hereto retain the right to question, challenge and object to the admissibility of any and all Allegedly Confidential Information furnished by the Company under this Agreement on any available grounds, including, but not limited to, competency, relevancy and materiality. Any Party may at any time seek by appropriate pleading to have Allegedly Confidential Information submitted under this Agreement, or under protective order issued by the Board or Hearing Officer pursuant to this Agreement, removed from the coverage of this Agreement or the order.

14. The foregoing provisions of this Agreement notwithstanding, this Agreement shall in no way be deemed to constitute a waiver by the Company of any right to protect the disclosure of Allegedly Confidential Information to the full extent allowable by applicable law. In the event that the Board or a Hearing Officer in the above-captioned docket should rule that any information is not appropriate for inclusion in a sealed record, or should be disclosed to a Party where the Company objects to such disclosure under Paragraph 3 of this Agreement, the Parties agree that, at the request or upon the motion of the Company seeking protection of such

information from disclosure, such information will not be disclosed until the later of five business days after the Board or Hearing Officer so orders, or, if the Company files an interlocutory appeal or requests a stay of such order, the date upon which such appeal or request is decided; provided, however, that such period of time may be extended in accordance with any stay ordered by the Board or a reviewing court.

15 The Parties promptly will submit to the Board a proposed Protective Order in the form attached hereto as Schedule IV that, if adopted, will set forth the procedure for treating Allegedly Confidential Information in a sealed record.

16 Each Party warrants that it will act in good faith and will not do anything to deprive any other Party of the benefit of this Agreement.

17 This Agreement may be amended or modified only by a written document signed by the Parties hereto.

18 The Parties have entered into this Agreement to expedite the production of information, minimize the time spent in discovery disputes, and facilitate the progress of this investigation to the fullest extent possible. Entry into this Agreement shall not be construed as an admission by any Party regarding the scope of the Party's statutory right to information, nor shall it be construed as a waiver of the right to raise any and all appropriate confidentiality issues in future dockets.

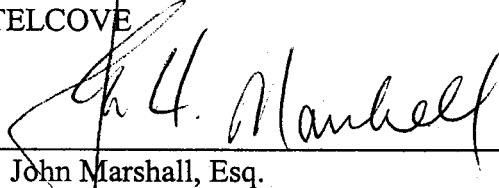
19 Information that is designated by the Company as Allegedly Confidential Information pursuant to this Agreement that a Party also obtains independent of this Agreement

is not subject to this Agreement.

20. The Company shall not seek the disqualification of any Department employee, consultant, or other representative as to any authorized Department activity on the grounds that such person reviewed information provided hereunder.

ADELPHIA BUSINESS SOLUTIONS OF VERMONT, INC.
d/b/a TELCOVE

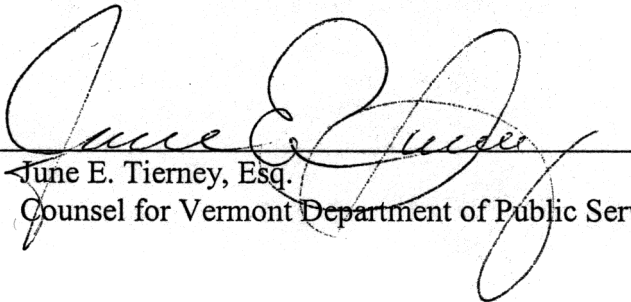
By: _____


John Marshall, Esq.

Counsel for Adelpia Business Solutions of Vermont, Inc., d/b/a
TelCove

VERMONT DEPARTMENT OF PUBLIC SERVICE

By: _____


June E. Tierney, Esq.

Counsel for Vermont Department of Public Service

STATE OF VERMONT
PUBLIC SERVICE BOARD

SCHEDULE I

Petition of Adelpia Business Solutions)
of Vermont, Inc., d/b/a TelCove, under 30 V.S.A.)
§ 232, for Consent to Mortgage or Pledge Its)
Property and Provide Guaranties or Other)
Security and, under 30 V.S.A. § 107, for)
Approval of the Acquisition of Indirect)
Control by Bay Harbour Management, LC,)
in Connection With the Recapitalization of)
TelCove's Parent as Part of Both Companies')
Reorganization Under Chapter 11 of the)
Bankruptcy Act)

Docket No. 6929

DOCUMENTS TO BE TREATED AS ALLEGEDLY
CONFIDENTIAL INFORMATION

Commitment Letter, dated December 8, 2003, regarding exit financing for Adelpia Business Solutions, Inc., d/b/a TelCove, and subsidiaries.

2.

3.

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STATE OF VERMONT
PUBLIC SERVICE BOARD

SCHEDULE IIa

Petition of Adelphia Business Solutions
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I, LAWRENCE LACEY (name), serve as

Director of Telecommunications (title or advisory capacity) to the Department
of Public Service ("DPS") in the above-captioned proceeding before the State of Vermont Public
Service Board. In connection with the work done for DPS, I request to be given access to certain
Allegedly Confidential Information of Adelphia Business Solutions of Vermont, Inc., d/b/a
TelCove (the "Company") under a Protective Agreement, dated as of February 9, 2004, by and
among the Company and the DPS. A copy of that Protective Agreement has been delivered to
me. I have read this Agreement and agree to comply with and be bound by its terms.

Dated: 2/9/04 Signature: L. Lacey

STATE OF VERMONT
PUBLIC SERVICE BOARD

SCHEDULE IIa

Petition of Adelphia Business Solutions
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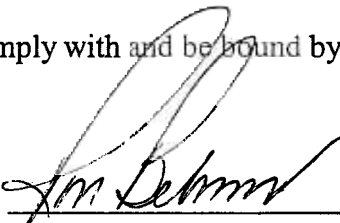
I, RON BEHRNS (name), serve as

DIRECTOR of FIN & ECON (title or advisory capacity) to the Department
of Public Service ("DPS") in the above-captioned proceeding before the State of Vermont Public
Service Board. In connection with the work done for DPS, I request to be given access to certain
Allegedly Confidential Information of Adelphia Business Solutions of Vermont, Inc., d/b/a
TelCove (the "Company") under a Protective Agreement, dated as of February 9, 2004, by and
among the Company and the DPS. A copy of that Protective Agreement has been delivered to
me. I have read this Agreement and agree to comply with and be bound by its terms.

Dated:

2/9/04

Signature:



STATE OF VERMONT
PUBLIC SERVICE BOARD

SCHEDULE IIa

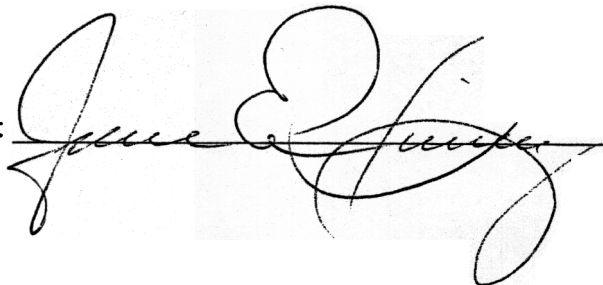
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I, JUNE E. TIERNEY (name), serve as
SPECIAL COUNSEL (title or advisory capacity) to the Department
of Public Service ("DPS") in the above-captioned proceeding before the State of Vermont Public
Service Board. In connection with the work done for DPS, I request to be given access to certain
Allegedly Confidential Information of Adelphia Business Solutions of Vermont, Inc., d/b/a
TelCove (the "Company") under a Protective Agreement, dated as of February 9, 2004, by and
among the Company and the DPS. A copy of that Protective Agreement has been delivered to
me. I have read this Agreement and agree to comply with and be bound by its terms.

Dated: Feb. 9, 2004

Signature:



STATE OF VERMONT
PUBLIC SERVICE BOARD

SCHEDULE IIb

Petition of Adelphia Business Solutions)
of Vermont, Inc., d/b/a TelCove, under 30 V.S.A.)
§ 232, for Consent to Mortgage or Pledge Its)
Property and Provide Guaranties or Other)
Security and, under 30 V.S.A. § 107, for)
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Bankruptcy Act)

Docket No. 6929

I, _____ (name), serve as

_____ (title or advisory capacity) to

_____ (Party) in the

above-captioned proceeding before the State of Vermont Public Service Board. In connection with the work done for _____ (Party), I request to be given access to certain Allegedly Confidential Information of Adelphia Business Solutions of Vermont, Inc., d/b/a TelCove, (the "Company") under a Protective Agreement, dated as of February 9, 2004, by and among the Company and the Vermont Department of Public Service. A copy of that Protective Agreement has been delivered to me. I have read this Agreement and agree to comply with and be bound by its terms. I agree that this Schedule IIb does not authorize my access to the Allegedly Confidential Information until it is executed, delivered to and approved by the counsel for the Company.

Dated: _____ Signature: _____

Name:

Title: _____

STATE OF VERMONT
PUBLIC SERVICE BOARD

SCHEDULE III

Petition of Adelpia Business Solutions
of Vermont, Inc., d/b/a TelCove, under 30 V.S.A.)
§ 232, for Consent to Mortgage or Pledge Its)
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Security and, under 30 V.S.A. § 107, for)
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The undersigned Party hereby requests that the Allegedly Confidential Information described below be furnished pursuant to the Protective Agreement, dated as of February 9, 2004, by and among Adelpia Business Solutions of Vermont, Inc., d/b/a TelCove, (the "Company") and the Vermont Department of Public Service, to the following person on behalf of _____ (Party):

Name:

Address:

Title:

Description of Employment Responsibilities:
(or Advisory Responsibilities to Party)

Description of Allegedly Confidential Information to be
Provided: (attach description as Schedule A if more room is necessary)

Such person has read the Protective Agreement, executed the form designated as Schedule IIa or IIb to that Agreement, and agrees that Schedule IIa or IIb does not authorize his/her access to the Allegedly Confidential Information until it is executed, delivered to and approved by the Company.

PARTY: _____

Dated: _____

Signature: _____

Name: _____

Title: _____